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MONTREAL AND KINGSTON RAILWAY COMPANY.

QUEBEC, 12th October, 1852.

TO THE CHAIRMAN OF THE COMMITTEE ON RAILROADS.

SIR,—In compliance with the desire of the Committee, we furnish herewith the copy of preliminary articles signed by the principal stockholders in this Company, before their Subscription of Stock, and also the Stock Book of the Company as signed on the 23rd August.

We confess we are somewhat surprised at being called upon for this information after our explicit understanding with the Inspector General, that we should have the opportunity of placing our views before your Committee, with the distinct pledge of the cordial co-operation of the Government with us in the event of the failure of the Bill. On that understanding we forbore in our communication to you dated 11th instant, to claim our rights under an existing Charter. We therein placed ourselves on a par with our opponents, and sought only a fair and equal investigation of the pretensions of both parties. We admit that the course adopted by the Government, since the 2nd instant, has not inspired us with confidence that we should have equal justice from any other tribunal than your Committee and the Legislature. The unseemly and ill-advised precipitancy with which the Bill now before you has been attempted to be passed, after our express condition that our rights should remain intact during the investigation, had alarmed us, and made us dread that the whole design of the Inspector General was to disarm the opposition of our Company, on legal grounds, until by the new Act, he could safely set us aside. This design is now we fear but too evident to every one, and we cannot but express strongly our reprobation of an attempt to work upon our known anxiety to meet the wishes of the Legislature, in order practically to remove all control over the arrangements with the Foreign Contractors. We were led to believe that the Government would consult the Railroad Committee, on the whole details of the proposed contracts, that our suggestions would be weighed at the same time, and that if the decision was finally against us, we were then pledged to resign our Charter, which would be amended in either case to suit the nature of the arrangements, whether made with the English Contractors, or through our Company.

The doubts raised in our minds by the determined pressure of the new Grand Trunk Railway Bill, are unfortunately confirmed most fully by the course taken by the Government this day, before your Committee. We must plead our ignorance of Parliamentary usage if we are wrong in referring to what passed in our presence, but the statement of the Inspector General that the Government had determined to make a contract with Messrs. Jackson and Co., for £7,600 Sterling, or about £10,000 Currency, per mile, and that they were prepared to carry this as a Government measure through Parliament, leaving only the mere detail of the Bill to Your Committee, and allowing us no opportunity whatever of shewing what the terms of the contract ought really to be, we must say, amounts to a distinct breach of the arrangement between the Inspector General and our Company, on the faith of which, we intimated our readiness to waive our extreme rights, and most reluctantly we are thrown back by the Government upon our rights as well legal as moral.

We beg most respectfully, therefore, to represent to your Honorable Committee, that we now desire to withdraw from our statement of 11th instant, every expression implying any waiver of our right to appear as opponents of the Bill on legal grounds, and we pray that we may be permitted to appear before you as representing the Montreal and Kingston Railway Company, either in person or by Counsel, as opposing the proposed Bill for the incorporation of the Grand Trunk Railway Company of Canada, with the privilege of examining and adducing evidence in support of our claims.

In support of this petition we transmit herewith, and request that the documents may be entered as evidence.

- First, The Charter incorporating the Montreal and Kingston Railway Company, 14 and 15 Vic., cap. 143.
- Second, Official Gazette of 7th August, 1852, containing the Proclamation of the Governor in Council, declaring the said Charter to be in force, and that the line thereby granted form part of the Grand Trunk Railway.
- Third, Subscription of Shares Book, as demanded by the Committee.
- Fourth, Official Gazette of 28th August, notifying subscription of Stock, and first meeting of Proprietors.
- Fifth, Official Gazette of 18th September, notifying subsequent meeting of Stockholders for election of Directors.
- Sixth, Copies of Minutes of the said meeting of Stockholders, and Minutes of meeting of Directors, appointing L. H. Holton, President, and A. T. Galt, Vice-President.
- Seventh, Receipts by Secretary and Treasurer for call of ten per cent., and certificate of deposit with the Commercial Bank, Midland District, by the Cashier's letter of 12th October, 1852.

We believe that our present application to appear before you as opponents of the Bill, is in strict conformity with the practice of England, and indeed of every country, where private rights are protected by Representative Assemblies. We trust your Committee will not misunderstand the position we now occupy; our rights have been invaded most seriously, and we might well and safely stand alone on the pledged faith of our Parliament and Government, but this we do not even now propose to do. We are driven to this course because by no other can we see a probability of getting the facts before the Legislature of what this Railroad really is,—its advantages, its traffic, its cheapness, the competition for its construction, and the entire absence of necessity for the course adopted by the Government. We are prepared to place in evidence before the Committee, the testimony of the most experienced Engineers of this Country and the United States on its character and cost. We have already three Tenders for its construction, from perfectly responsible and skilful Contracting Companies, any one of which we are able to carry out, and before the close of the investigation we doubt not to have yet further proposals; and we are now ready and willing to undertake the whole responsibility with such friends as have proposed to join us, of retaining the Stock, for £600,000 subscribed by us, in proof of which we have already from our own resources, made good the payment of £60,000, to be applied towards the work, so soon as the Railroad Commission will sanction our proceeding.

We now respectfully appeal to Your Honorable Committee, and ask, what more could have been done, under any Charter, than has been done by the Montreal and Kingston Railway Company? We have not lost one day in our proceedings; we have struggled to maintain our position under very serious disadvantages; we have even offered to waive our rights, and would have done so, had faith been kept with us. Now we rely on Your Committee and on the Legislature for protection, in the firm conviction that, if our rights are to be over-ridden by the high hand of Executive power, no rights under any Charter can be safe in this Country, and we may bid farewell even to the flattering visions of Foreign aid with which our mind's eye is now sought to be dazzled: for who can suppose that English capitalists, proverbially the most timid in the world, will entrust their funds in a scheme, the very basis of which is a spoliation of the rights of others, as strongly pledged to those others as any present Act of Parliament can confer rights upon them. We solemnly warn the Government of this Country, that the course they are taking, as regards this Company, is fraught with more fatal injury to the credit of Canada than all the promised capital will ever repay. Let it once be known abroad, that no respect is here paid to the rights conferred by Parliament, and the rising confidence of English capitalists in this Province will depart as speedily as it fled from the repudiating States of the Union. Admitting that it were even true—which we deny—that our opposition is selfish and obstructive—that we shall drive away the English Contractors, and then fall ourselves—admit all this, and even then the injury will not be one tithe as great as it—to serve a temporary end—the faith of Parliament is revoked, and those that have trusted it betrayed. Our course involves no such sacrifices—no such risks; but we will not permit our knowledge of the result of the policy of the Government, to induce us to sacrifice our rights, in order to prevent

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their being guilty of an infraction of them. Our duty is partly discharged when we put the inevitable consequences before Your Honorable Committee ; but if our hopes be falsified, and the Executive influence, which has been pledged to our opponents, should prove stronger than our claims for justice, we shall have to look for protection even at the foot of the Throne itself, having sufficient sympathy for our fellow-subjects in England to let them know exactly the treatment they may hereafter expect, should the interest of the party in power at any future time require a surrender of their rights.

We have the honor to be,

Sir,

Your most obedient humble servants,

L. H. HOLTON,
President M. & K. R. R. C.

A. T. GALT,
Vice President.

JOHN LOVELL, PRINTER, MOUNTAIN STREET.